

FISCAL NOTE

SB 3255 - HB 3300

June 27, 2002

SUMMARY OF BILL:

1. Provides a mechanism for a constitutional convention to consider altering, reforming, or abolishing the following sections of the Tennessee Constitution:
 - Article II, Sections 3, relative to terms of members of the general assembly;
 - Article II, Section 28, relative to taxation;
 - Article VI, Section 5, relative to the attorney general and reporter;
 - Article VI, Section 13, relative to clerks of courts and clerks and masters;
 - Article XI, Section 5, relative to lotteries; and
 - Article XI, Section 9, relative to consolidation of municipal and county functions.
2. Requires to be submitted to the voters at the November 2004 election the question of calling a constitutional convention, electing delegates to the convention and holding an election on whether to ratify any proposed amendments passed by the convention.
3. Requires the Secretary of State to publish notice of such an election in a newspaper of general circulation to each county.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$20,000 One-Time

Assumes:

- A cost of \$20,000 to publish notices in the newspaper in each county.
- Election expenses will be minimal, since the question of calling a convention will be placed on the regular November election ballot.

For information purposes, the following should be noted:

- The estimated cost of holding a constitutional convention with 66 delegates to consider the issues contained in the bill is as follows: 15 days \$216,000; 20 days \$280,000; 30 days \$410,000.

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- Estimated cost to hold a statewide referendum that is not conducted in conjunction with a statewide election is approximately \$4,000,000.
- A one percent tax on income is estimated to generate net state revenues in excess of \$650,000,000. Any amounts generated would be dependent on exemption levels and deductions established.
- The amount of state revenues that would be realized by a lottery is estimated to exceed \$200,000,000.
- The amount of savings relative to consolidation of municipal and county functions is estimated to be significant.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James A. Davenport". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

James A. Davenport, Executive Director